

# WORKFORCE OBSERVATIONS FOR NORTHWEST WISCONSIN COUNTIES

JANUARY 2003



State of Wisconsin  
Department of Workforce Development

## December job losses push unemployment up

The increase in the Northwest Wisconsin unemployment rate in December to 6.4 percent reflects the seasonal trends in the region not the effects of yet another year with little snow. Estimates released by the Department of Workforce Development reveal an unemployment rate in the ten-county region that is higher than the 5.2 percent rate in November and the 6.3 percent rate of one year ago. The December increase in unemployment pushed the local rate over the national rate for the first time in seven months.

In December the national unadjusted unemployment rate was 5.7 percent compared with a much lower state rate of 4.9 percent. Seasonally adjusted the national rate was 6.0 percent and the Wisconsin rate was 5.4 percent.

As winter progresses, regional unemployment rates will continue to rise. Many of the workers laid off for the holidays will not return to work until mid-March and, in every passing week, more northwest residents are added to the number of unemployed. And, without snow that brings business to the region, many area resorts and restaurants will lay off workers.

In December, over 5,900 residents were unemployed. The count is 1,100 higher than in November and 200 higher than last December. Included in the number of unemployed are 3,880 residents who filed a claim for unemployment compensation benefits. That nearly matches the number of claimants in the same week one year ago. By mid-January, however, those filing claims for unemployment benefits rose to 6,570, much higher than 52 weeks earlier.

In December, many of the additional claims for benefits were from construction workers as employers in each of the ten counties reduced payroll and construction employment decline by 420 jobs from November to December. While the loss of construction jobs seems large, it is very typical for the region, as was the loss of 190 manufacturing jobs in December.

Production employment declined as wreath making activities wound down. There were many more wreath

makers hired in October, however, so we can expect additional layoffs from that industry. Manufacturing is the only major industry division that shows a job loss from a year ago.

The industry has been carrying that loss most of 2002 and the annual average employment level in manufacturing is down by nearly 130 jobs from 2001. Three counties, Ashland, Douglas and Washburn, accounted for most of the reduction, but only Douglas County permanently lost a major employer. There were 14,670 manufacturing jobs in Northwest Wisconsin in 2002.

Nearly every major industry reported a job loss in December and the total number of jobs in the region declined by 800 to 74,470. Jobs with services industry employers declined by 110 even though employers in a few counties added positions. Employment in services is higher than one year ago even though jobs were lost in December. The annual average for all of 2002 of 16,950 jobs was 450 higher than in 2001. While services industry employ-

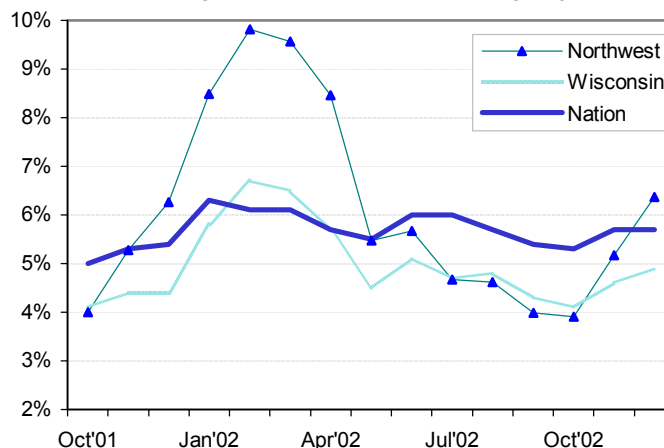
ers in general added jobs, there were several exceptions in the region in 2002. In Rusk County, Mt. Senario College closed and in Ashland and Burnett counties, services jobs declined.

Retail trade in the region is more dependent on tourism than on holiday shoppers and the loss of jobs in December is consistent with previous years. However, the lack of snow over the holidays will effect the January unemployment rate as workers were laid off in early January. Most of the 2002, however, brought tourists to the area and retail jobs

increased by 450 jobs to 14,330 in 2002.

The loss of jobs in December raised unemployment rates in nine of the region's ten counties. Iron County, with a 7.8 percent unemployment rate, was one of only five counties in the state where the unemployment rate declined. All of the region's counties had unemployment rates above the state rate of 4.9 percent. There were 87,300 residents with jobs in December out of a total labor force of 93,300.

Unemployment Rates-Not seasonally adjusted



	Oct'01	Nov'01	Dec'01	Oct'02	Nov'02	Dec'02
Northwest	4.0%	5.3%	6.3%	3.9%	5.2%	6.4%
Wisconsin	4.1%	4.4%	4.4%	4.1%	4.6%	4.9%
Nation	5.0%	5.3%	5.4%	5.3%	5.7%	5.7%

### SIC coding ends, NAICS coding begins...

The table below that includes nonfarm wage and salary employment estimates by county will change drastically with the release of January 2003 estimates. For nearly seventy years employment estimates for industries have used Standard Industry Classification (SIC) codes and that will end with the December 2002 estimates. Beginning with January 2003, employment estimates will use the North

American Industry Classification System (NAICS).

There will be many changes under NAICS but the total employment estimate for each county will not change. Old SIC industries have been split creating new sectors and comparisons to previous years will be difficult. Initially, only one year of historic data will be available under NAICS for counties but state and metropolitan areas will go back to 1990.

#### December 2002 Estimates Not seasonally adjusted

	Wisconsin	Ashland	Bayfield	Burnett	Douglas	Iron	Price	Rusk	Sawyer	Taylor	Washburn
<b>Civilian Labor Force*</b>	3,050,600	8,100	7,740	7,180	23,250	3,430	6,900	7,220	10,340	11,020	8,080
Employed	2,900,000	7,460	7,130	6,740	22,090	3,160	6,540	6,710	9,690	10,310	7,500
Unemployed	150,600	640	600	440	1,160	270	370	510	650	710	580
Unemployment rate(%)	4.9%	7.9%	7.8%	6.1%	5.0%	7.8%	5.3%	7.1%	6.3%	6.4%	7.2%
<b>Total jobs, all industries**</b>	2,856,010	8,730	3,980	4,630	19,500	2,410	6,510	6,110	7,250	9,270	6,080
Construction & Mining	122,880	320	250	240	1,060	290	220	200	370	300	280
Manufacturing	564,860	1,690	200	1,040	1,200	490	2,640	2,270	820	3,270	1,160
Transportation & Pbl.Util.	132,220	220	240	140	2,780	60	130	220	180	570	240
Wholesale Trade	135,760	170	30	30	1,210	60	120	140	130	500	170
Retail Trade	521,580	1,580	690	990	4,020	580	1,020	760	1,860	1,490	1,290
Finance,Ins,Real Estate	153,980	370	140	130	510	50	220	130	320	380	210
Services	797,970	2,360	840	740	5,400	490	1,160	970	1,650	1,660	1,300
Government	426,760	2,030	1,600	1,320	3,340	390	1,000	1,430	1,920	1,100	1,440

#### Change from previous month

<b>Civilian Labor Force*</b>	-5,500	70	50	70	10	-90	-80	30	-110	50	-70
Employed	-16,700	-30	-30	-60	-170	-60	-150	-80	-230	-210	-190
Unemployed	11,200	90	80	120	180	-30	70	110	110	250	130
Unemployment rate(%)	0.4%	1.1%	1.0%	1.7%	0.8%	-0.6%	1.1%	1.5%	1.1%	2.2%	1.6%
<b>Total jobs, all industries**</b>	-14,010	-10	-50	-40	-160	-50	-130	0	-180	-90	-90
Construction & Mining	-8,160	-30	-30	-30	-70	-40	-20	-10	-40	-110	-40
Manufacturing	-2,820	0	0	0	10	-30	-130	-10	-20	-10	10
Transportation & Pbl.Util.	220	0	-10	0	30	0	0	0	-10	-10	-10
Wholesale Trade	690	0	-10	0	-10	0	-10	0	0	10	0
Retail Trade	2,920	10	-10	10	-10	10	-10	-10	10	10	-40
Finance,Ins,Real Estate	130	10	0	-30	0	10	0	0	10	0	0
Services	-20	-20	10	-10	-10	10	20	50	-140	20	-30
Government	-6,970	20	-10	30	-100	-20	10	-20	10	-10	10

#### Change from one year ago

<b>Civilian Labor Force*</b>	69,500	310	270	-160	260	-70	100	120	450	500	40
Employed	50,900	240	230	-130	290	-100	80	100	420	470	20
Unemployed	18,600	70	50	-30	-30	30	20	10	30	30	30
Unemployment rate(%)	0.5%	0.5%	0.3%	-0.3%	-0.2%	1.1%	0.2%	0.1%	0.1%	0.0%	0.3%
<b>Total jobs, all industries**</b>	20,020	100	120	-170	610	-120	0	0	400	300	-50
Construction & Mining	3,100	10	10	10	90	20	20	20	20	-10	30
Manufacturing	-10,040	-70	-10	-20	-90	10	0	-60	-10	160	-70
Transportation & Pbl.Util.	-1,820	-60	10	0	190	0	-10	0	0	20	-20
Wholesale Trade	-730	-10	-10	0	30	0	-10	10	0	20	10
Retail Trade	3,170	-10	30	20	140	10	10	0	240	0	0
Finance,Ins,Real Estate	2,790	20	-10	20	0	0	10	0	10	20	-10
Services	21,370	-110	-50	-120	220	-50	10	20	140	70	20
Government	2,180	330	140	-70	30	-100	-30	10	-10	20	-10

\* Includes participants residing in area. \*\* Includes employment with employers located in area. Estimates are NOT seasonally adjusted. Current month estimates are preliminary. Totals may not add due to rounding. Calculations based on unrounded numbers.

**Look for the most current Labor Market Information at: [WWW.DWD.STATE.WI.US/LMI](http://WWW.DWD.STATE.WI.US/LMI)**

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